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14 UNITED STATES DISTRICT COURT

15 CENTRAL DISTRICT OF CALIFORNIA

16 **UNITED STATES OF AMERICA,**

17 Plaintiff,

18 *ex rel.* **RELATOR, LLC**, a California
19 limited liability company,

20 Relator,

21 V,

22 **WALTER KENNETH NEIL**, an
23 individual; **BARBARA BOWLES**, an
24 individual; **FRANKLIN LOAN
25 CORPORATION**, a California
Corporation and DOES 1-10;

26 Defendants.

27 Case No.: 2:23-CV-05885-RGK-AGRx

28 Hon. R. Gary Klausner

**STIPULATION AND PROTECTIVE
ORDER**

Action Filed: July 20, 2023

Date: March 17, 2025

Time: 9:00 a.m.

Location: 255 East Temple Street
Courtroom 850, 8th floor
Los Angeles, CA 90012

1. A. PURPOSES AND LIMITATIONS

Discovery in this action is likely to involve production of confidential, proprietary or private information for which special protection from public disclosure and from use for any purpose other than pursuing this litigation may be warranted. Accordingly, the parties hereby stipulate to and petition the Court to enter the following Stipulated Protective Order. The parties acknowledge that this Order does not confer blanket protections on all disclosures or responses to discovery and that the protection it affords from public disclosure and use extends only to the limited information or items that are entitled to confidential treatment under the applicable legal principles. The parties further acknowledge, as set forth in Section 12.3, below, that this Stipulated Protective Order does not entitle them to file confidential information under seal; Civil Local Rule 79-5 sets forth the procedures that must be followed and the standards that will be applied when a party seeks permission from the court to file material under seal.

B. GOOD CAUSE STATEMENT

This action is likely to involve trade secrets, tax returns, financial records, payroll information, commercial, financial, technical and/or proprietary information for which special protection from public disclosure and from use for any purpose other than prosecution of this action is warranted. Such confidential and proprietary materials and information consist of, among other things, confidential business or financial information, information regarding confidential business practices, or other confidential research, development, or commercial information (including information implicating privacy rights of third parties), information otherwise generally unavailable to the public, or which may be privileged or otherwise protected from disclosure under state or federal statutes, court rules, case decisions, or common law. Accordingly, to expedite the flow of information, to facilitate the prompt resolution of disputes over confidentiality of discovery materials, to adequately protect information the parties are entitled to keep confidential, to ensure that the parties are permitted

1 reasonable necessary uses of such material in preparation for and in the conduct of
2 trial, to address their handling at the end of the litigation, and serve the ends of justice,
3 a protective order for such information is justified in this matter. It is the intent of the
4 parties that information will not be designated as confidential for tactical reasons and
5 that nothing be so designated without a good faith belief that it has been maintained in
6 a confidential, non-public manner, and there is good cause why it should not be part of
7 the public record of this case.

8 **2. DEFINITIONS**

9 **2.1 Action:** **UNITED STATES OF AMERICA**, Plaintiff, *ex rel*, **RELATOR,**
10 **LLC**, a California limited liability company, Relator **V. WALTER KENNETH**
11 **NEIL**, an individual; **BARBARA BOWLES**, an individual; **FRANKLIN LOAN**
12 **CORPORATION**, a California Corporation and DOES 1-10. Case No.: 2:23-CV-
13 05885-RGK-AGR_x

14 **2.2 Challenging Party:** a Party or Non-Party that challenges the designation of
15 information or items under this Order.

16 **2.3 “CONFIDENTIAL” Information or Items:** information (regardless of how it
17 is generated, stored or maintained) or tangible things that qualify for protection under
18 Federal Rule of Civil Procedure 26(c), and as specified above in the Good Cause
19 Statement.

20 **2.4 Counsel:** Outside Counsel of Record and House Counsel (as well as their
21 support staff).

22 **2.5 Designating Party:** a Party or Non-Party that designates information or items
23 that it produces in disclosures or in responses to discovery as “CONFIDENTIAL.”

24 **2.6 Disclosure or Discovery Material:** all items or information, regardless of the
25 medium or manner in which it is generated, stored, or maintained (including, among
26 other things, testimony, transcripts, and tangible things), that are produced or generated
27 in disclosures or responses to discovery.

1 2.7 Expert: a person with specialized knowledge or experience in a matter
2 pertinent to the litigation who has been retained by a Party or its counsel to serve as an
3 expert witness or as a consultant in this Action.
4

5 2.8 House Counsel: attorneys who are employees of a party to this Action.
6 House Counsel does not include Outside Counsel of Record or any other outside
7 counsel.
8

9 2.9 Non-Party: any natural person, partnership, corporation, association or other
10 legal entity not named as a Party to this action.
11

12 2.10 Outside Counsel of Record: attorneys who are not employees of a party to
13 this Action but are retained to represent a party to this Action and have appeared in this
14 Action on behalf of that party or are affiliated with a law firm that has appeared on
15 behalf of that party, and includes support staff.
16

17 2.11 Party: any party to this Action, including all of its officers, directors,
18 employees, consultants, retained experts, and Outside Counsel of Record (and their
19 support staffs).
20

21 2.12 Producing Party: a Party or Non-Party that produces Disclosure or
22 Discovery Material in this Action.
23

24 2.13 Professional Vendors: persons or entities that provide litigation support
25 services (e.g., photocopying, videotaping, translating, preparing exhibits or
26 demonstrations, and organizing, storing, or retrieving data in any form or medium) and
27 their employees and subcontractors.
28

29 2.14 Protected Material: any Disclosure or Discovery Material that is designated
30 as “CONFIDENTIAL.”
31

32 2.15 Receiving Party: a Party that receives Disclosure or Discovery Material
33 from a Producing Party.
34

35 3. SCOPE

36 The protections conferred by this Stipulation and Order cover not only Protected
37 Material (as defined above), but also (1) any information copied or extracted from
38

1 Protected Material; (2) all copies, excerpts, summaries, or compilations of Protected
2 Material; and (3) any testimony, conversations, or presentations by Parties or their
3 Counsel that might reveal Protected Material.

4 Any use of Protected Material at trial shall be governed by the orders of the trial
5 judge and other applicable authorities. This Order does not govern the use of Protected
6 Material at trial.

7 **4. DURATION**

8 Even after final disposition of this litigation, the confidentiality obligations
9 imposed by this Order shall remain in effect until a Designating Party agrees otherwise
10 in writing or a court order otherwise directs. Final disposition shall be deemed to be
11 the later of (1) dismissal of all claims and defenses in this Action, with or without
12 prejudice; and (2) final judgment herein after the completion and exhaustion of all
13 appeals, rehearings, remands, trials, or reviews of this Action, including the time limits
14 for filing any motions or applications for extension of time pursuant to applicable law.

15 **5. DESIGNATING PROTECTED MATERIAL**

16 **5.1 Exercise of Restraint and Care in Designating Material for Protection.** Each
17 Party or Non-Party that designates information or items for protection under this Order
18 must take care to limit any such designation to specific material that qualifies under the
19 appropriate standards. The Designating Party must designate for protection only those
20 parts of material, documents, items or oral or written communications that qualify so
21 that other portions of the material, documents, items or communications for which
22 protection is not warranted are not swept unjustifiably within the ambit of this Order.

23 Mass, indiscriminate or routinized designations are prohibited. Designations that
24 are shown to be clearly unjustified or that have been made for an improper purpose
25 (e.g., to unnecessarily encumber the case development process or to impose
26 unnecessary expenses and burdens on other parties) may expose the Designating Party
27 to sanctions.

If it comes to a Designating Party's attention that information or items that it designated for protection do not qualify for protection, that Designating Party must promptly notify all other Parties that it is withdrawing the inapplicable designation.

5.2 Manner and Timing of Designations. Except as otherwise provided in this Order, or as otherwise stipulated or ordered, Disclosure of Discovery Material that qualifies for protection under this Order must be clearly so designated before the material is disclosed or produced.

Designation in conformity with this Order requires:

(a) for information in documentary form (e.g., paper or electronic documents, but excluding transcripts of depositions or other pretrial or trial proceedings), that the Producing Party affix at a minimum, the legend "CONFIDENTIAL" (hereinafter "CONFIDENTIAL legend"), to each page that contains protected material. If only a portion of the material on a page qualifies for protection, the Producing Party also must clearly identify the protected portion(s) (e.g., by making appropriate markings in the margins).

A Party or Non-Party that makes original documents available for inspection need not designate them for protection until after the inspecting Party has indicated which documents it would like copied and produced. During the inspection and before the designation, all of the material made available for inspection shall be deemed "CONFIDENTIAL." After the inspecting Party has identified the documents it wants copied and produced, the Producing Party must determine which documents, or portions thereof, qualify for protection under this Order. Then, before producing the specified documents, the Producing Party must affix the "CONFIDENTIAL legend" to each page that contains Protected Material. If only a portion of the material on a page qualifies for protection, the Producing Party also must clearly identify the protected portion(s) (e.g., by making appropriate markings in the margins).

(b) for testimony given in depositions that the Designating Party identifies

1 the Disclosure or Discovery Material on the record, before the close of the deposition
2 all protected testimony.
3

4 (c) for information produced in some form other than documentary and
5 for any other tangible items, that the Producing Party affix in a prominent place on the
6 exterior of the container or containers in which the information is stored the legend
7 "CONFIDENTIAL." If only a portion or portions of the information warrants
8 protection, the Producing Party, to the extent practicable, shall identify the protected
9 portion(s).

10 5.3 Inadvertent Failures to Designate. If timely corrected, an inadvertent failure
11 to designate qualified information or items does not, standing alone, waive the
12 Designating Party's right to secure protection under this Order for such material. Upon
13 timely correction of a designation, the Receiving Party must make reasonable efforts to
14 assure that the material is treated in accordance with the provisions of this Order.

15 6. CHALLENGING CONFIDENTIALITY DESIGNATIONS

16 6.1. Timing of Challenges. Any Party or Non-Party may challenge a designation
17 of confidentiality at any time that is consistent with the Court's Scheduling Order.

18 6.2 Meet and Confer. The Challenging Party shall initiate the dispute resolution
19 process under Local Rule 37-1 et seq.

20 6.3 Joint Stipulation. Any challenge submitted to the Court shall be via a joint
21 stipulation pursuant to Local Rule 37-2.

22 6.4 The burden of persuasion in any such challenge proceeding shall be on the
23 Designating Party. Frivolous challenges, and those made for an improper purpose (e.g.,
24 to harass or impose unnecessary expenses and burdens on other parties) may expose
25 the Challenging Party to sanctions. Unless the Designating Party has waived or
26 withdrawn the confidentiality designation, all parties shall continue to afford the
27 material in question the level of protection to which it is entitled under the Producing
28 Party's designation until the Court rules on the challenge.

7. ACCESS TO AND USE OF PROTECTED MATERIAL

1 7.1 Basic Principles. A Receiving Party may use Protected Material that is
2 disclosed or produced by another Party or by a Non-Party in connection with this
3 Action only for prosecuting, defending or attempting to settle this Action. Such
4 Protected Material may be disclosed only to the categories of persons and under the
5 conditions described in this Order. When the Action has been terminated, a Receiving
6 Party must comply with the provisions of section 15 below (FINAL DISPOSITION).

7 Protected Material must be stored and maintained by a Receiving Party at a
8 location and in a secure manner that ensures that access is limited to the persons
9 authorized under this Order.

10 7.2 Disclosure of “CONFIDENTIAL” Information or Items. Unless otherwise
11 ordered by the court or permitted in writing by the Designating Party, a Receiving
12 Party may disclose any information or item designated “CONFIDENTIAL” only to:

13 (a) the Receiving Party’s Outside Counsel of Record in this Action, as
14 well as employees of said Outside Counsel of Record to whom it is reasonably
15 necessary to disclose the information for this Action;

16 (b) the officers, directors, and employees (including House Counsel) of
17 the Receiving Party to whom disclosure is reasonably necessary for this Action;

18 (c) Experts (as defined in this Order) of the Receiving Party to whom
19 disclosure is reasonably necessary for this Action and who have signed the
20 “Acknowledgment and Agreement to Be Bound” (Exhibit A);

21 (d) the court and its personnel;

22 (e) court reporters and their staff;

23 (f) professional jury or trial consultants, mock jurors, and Professional
24 Vendors to whom disclosure is reasonably necessary for this Action and who have
25 signed the “Acknowledgment and Agreement to Be Bound” (Exhibit A);

26 (g) the author or recipient of a document containing the information or a
27 custodian or other person who otherwise possessed or knew the information;

28 (h) during their depositions, witnesses, and attorneys for witnesses, in the

Action to whom disclosure is reasonably necessary provided: (1) the deposing party requests that the witness sign the form attached as Exhibit A hereto; and (2) they will not be permitted to keep any confidential information unless they sign the “Acknowledgment and Agreement to Be Bound” (Exhibit A), unless otherwise agreed by the Designating Party or ordered by the court. Pages of transcribed deposition testimony or exhibits to depositions that reveal Protected Material may be separately bound by the court reporter and may not be disclosed to anyone except as permitted under this Stipulated Protective Order; and

(i) any mediators or settlement officers and their supporting personnel, mutually agreed upon by any of the parties engaged in settlement discussions.

8. PROTECTED MATERIAL SUBPOENAED OR ORDERED PRODUCED IN OTHER LITIGATION

If a Party is served with a subpoena or a court order issued in other litigation that compels disclosure of any information or items designated in this Action as “CONFIDENTIAL,” that Party must:

(a) promptly notify in writing the Designating Party. Such notification shall include a copy of the subpoena or court order;

(b) promptly notify in writing the party who caused the subpoena or order to issue in the other litigation that some or all of the material covered by the subpoena or order is subject to this Protective Order. Such notification shall include a copy of this Stipulated Protective Order; and

(c) cooperate with respect to all reasonable procedures sought to be pursued by the Designating Party whose Protected Material may be affected. If the Designating Party timely seeks a protective order, the Party served with the subpoena or court order shall not produce any information designated in this action as “CONFIDENTIAL” before a determination by the court from which the subpoena or order issued, unless the Party has obtained the Designating Party’s permission. The Designating Party shall bear the burden and expense of seeking protection in that court

1 of its confidential material and nothing in these provisions should be construed as
2 authorizing or encouraging a Receiving Party in this Action to disobey a lawful
3 directive from another court.

4 **9. A NON-PARTY'S PROTECTED MATERIAL SOUGHT TO BE PRODUCED IN**
5 **THIS LITIGATION**

6 (a) The terms of this Order are applicable to information produced
7 by a Non-Party in this Action and designated as "CONFIDENTIAL." Such
8 information produced by Non-Parties in connection with this litigation is protected by
9 the remedies and relief provided by this Order. Nothing in these provisions should be
10 construed as prohibiting a Non-Party from seeking additional protections.

11 (b) In the event that a Party is required, by a valid discovery request, to
12 produce a Non-Party's confidential information in its possession, and the Party is
13 subject to an agreement with the Non-Party not to produce the Non-Party's
14 confidential information, then the Party shall:

15 (1) promptly notify in writing the Requesting Party and the Non-Party that
16 some or all of the information requested is subject to a confidentiality agreement with
17 a Non-Party;

18 (2) promptly provide the Non-Party with a copy of the Stipulated
19 Protective Order in this Action, the relevant discovery request(s), and a reasonably
20 specific description of the information requested; and

21 (3) make the information requested available for inspection by the Non-
22 Party, if requested.

23 (c) If the Non-Party fails to seek a protective order from this court within
24 14 days of receiving the notice and accompanying information, the Receiving Party
25 may produce the Non-Party's confidential information responsive to the discovery
26 request. If the Non-Party timely seeks a protective order, the Receiving Party shall not
27 produce any information in its possession or control that is subject to the
28 confidentiality agreement with the Non-Party before a determination by the court.

Absent a court order to the contrary, the Non-Party shall bear the burden and expense of seeking protection in this court of its Protected Material.

10. UNAUTHORIZED DISCLOSURE OF PROTECTED MATERIAL

If a Receiving Party learns that, by inadvertence or otherwise, it has disclosed Protected Material to any person or in any circumstance not authorized under this Stipulated Protective Order, the Receiving Party must immediately (a) notify in writing the Designating Party of the unauthorized disclosures, (b) use its best efforts to retrieve all unauthorized copies of the Protected Material, (c) inform the person or persons to whom unauthorized disclosures were made of all the terms of this Order, and (d) request such person or persons to execute the "Acknowledgment an Agreement to Be Bound" attached hereto as Exhibit A.

**11. INADVERTENT PRODUCTION OF PRIVILEGED OR OTHERWISE
PROTECTED MATERIAL**

When a Producing Party gives notice to Receiving Parties that certain inadvertently produced material is subject to a claim of privilege or other protection, the obligations of the Receiving Parties are those set forth in Federal Rule of Civil Procedure 26(b)(5)(B). This provision is not intended to modify whatever procedure may be established in an e-discovery order that provides for production without prior privilege review. Pursuant to Federal Rule of Evidence 502(d) and (e), insofar as the parties reach an agreement on the effect of disclosure of a communication or information covered by the attorney-client privilege or work product protection, the parties may incorporate their agreement in the stipulated protective order submitted to the court.

12. MISCELLANEOUS

12.1 Right to Further Relief. Nothing in this Order abridges the right of any person to seek its modification by the Court in the future.

12.2 Right to Assert Other Objections. By stipulating to the entry of this Protective Order, no Party waives any right it otherwise would have to object to

1 disclosing or producing any information or item on any ground not addressed in this
2 Stipulated Protective Order. Similarly, no Party waives any right to object on any
3 ground to use in evidence of any of the material covered by this Protective Order.
4

5 12.3 Filing Protected Material. A Party that seeks to file under seal any
6 Protected Material must comply with Local Civil Rule 79-5. Protected Material may
7 only be filed under seal pursuant to a court order authorizing the sealing of the specific
8 Protected Material. If a Party's request to file Protected Material under seal is denied
9 by the court, then the Receiving Party may file the information in the public record
unless otherwise instructed by the court.
10

11 13. FINAL DISPOSITION

12 After the final disposition of this Action, as defined in paragraph 4, within 60
13 days of a written request by the Designating Party, each Receiving Party must return
14 all Protected Material to the Producing Party or destroy such material. As used in this
15 subdivision, "all Protected Material" includes all copies, abstracts, compilations,
16 summaries, and any other format reproducing or capturing any of the Protected
17 Material. Whether the Protected Material is returned or destroyed, the Receiving Party
18 must submit a written certification to the Producing Party (and, if not the same person
19 or entity, to the Designating Party) by the 60-day deadline that (1) identifies (by
20 category, where appropriate) all the Protected Material that was returned or destroyed
21 and (2) affirms that the Receiving Party has not retained any copies, abstracts,
22 compilations, summaries or any other format reproducing or capturing any of the
23 Protected Material. Notwithstanding this provision, Counsel are entitled to retain an
24 archival copy of all pleadings, motion papers, trial, deposition, and hearing transcripts,
25 legal memoranda, correspondence, deposition and trial exhibits, expert reports,
26 attorney work product, and consultant and expert work product, even if such materials
27 contain Protected Material. Any such archival copies that contain or constitute
28 Protected Material remain subject to this Protective Order as set forth in Section 4.

14. VIOLATION

1 Any violation of this Order may be punished by appropriate measures
2 including, without limitation, contempt proceedings and/or monetary sanctions.
3

4 IT IS SO STIPULATED, THROUGH COUNSEL OF RECORD.
5

6 Date: June 26, 2025
7

HARGRAVE ROSENTHAL
A PROFESSIONAL CORPORATION

8 /s/
9

10 Joshua A. Rosenthal, Attorney for
11 Defendants Franklin Loan Corporation
12 and Walter Kenneth Neil
13

14 Dated: June 26, 2025
15

HECHT PARTNERS LLP

16 /s/
17

18 Kristen Nelson
19 Attorneys for RELATOR LLC
20

21 FOR GOOD CAUSE SHOWN, IT IS SO ORDERED.
22

23 DATED: July 3, 2025
24

Alicia G. Rosenberg
25

26 ALICIA G. ROSENBERG
27 UNITED STATES MAGISTRATE JUDGE
28

EXHIBIT A

ACKNOWLEDGMENT AND AGREEMENT TO BE BOUND

I, _____ [print or type full name], of _____ [print or type full address], declare under penalty of perjury that I have read in its entirety and understand the Protective Order that was issued by the United States District Court for the Central District of California on _____ in the case of UNITED STATES OF AMERICA, Plaintiff, ex rel, RELATOR, LLC, a California limited liability company, Relator, V. WALTER KENNETH NEIL, an individual; BARBARA BOWLES, an individual; FRANKLIN LOAN CORPORATION, a California Corporation., 2:23-CV-05885-RGK-AGR_x I agree to comply with and to be bound by all the terms of this Protective Order and I understand and acknowledge that failure to so comply could expose me to sanctions and punishment in the nature of contempt. I solemnly promise that I will not disclose in any manner any information or item that is subject to this Protective Order to any person or entity except in strict compliance with the provisions of this Order.

I further agree to submit to the jurisdiction of the United States District Court for the Central District of California for the purpose of enforcing the terms of this Protective Order, even if such enforcement proceedings occur after termination of this action. I hereby appoint _____ [print or type full name] of _____ [print or type full address and telephone number] as my California agent for service of process in connection with this action or any proceedings related to enforcement of this Protective Order.

Date:

City and State where sworn and signed:

Printed name:

Signature: